

State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt Governor Robert L. Morgan Executive Director Lowell P. Braxton Division Director 1594 West North Temple, Suite 1210 PO Box 145801 Salt Lake City, Utah 84114-5801 (801) 538-5340 telephone (801) 359-3940 fax (801) 538-7223 TTY www.nr.utah.gov

November 25, 2003

CERTIFIED RETURN RECEIPT 7099 3400 0016 8896 3243

Randy Anderson Staker & Parson Companies 2350 South 1900 West Ogden, Utah 84401-3216

Re: Division Directive and Request for Transitional Surety, Staker & Parson Companies, North Beck Street Operations, M/035/019, Salt Lake County, Utah

Dear Mr. Anderson:

On October 15, 2003, we received a letter from Michael Dalley advising us of Staker & Parson Companies ongoing efforts to prepare a revised mining and reclamation plan for the North Beck Street mining operation. Mr. Dalley also came into our office on October 29, 2003, and dropped off a series of revised maps showing the proposed pit development sequence. Mr. Dalley's letter stated that he anticipated completing the revised plan within 30 days. Thirty days have now passed and the revised plan has not been received.

As you know, the Division has been corresponding with you for nearly 15 months (August 30, 2002) to complete the permitting process for a large mine permit for this project. We acknowledge that a complication with outstanding city permits and development agreements have caused some confusion and delay in completing the permitting process. However, because of the extended delay, and the uncertainty of when a complete application will be received and a permit issued, we believe it is necessary to take the following action.



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Rule R647-4-116 requires a large mining operation to have an approved permit and reclamation surety in place before beginning or continuing mining operations. To date, an approved permit and reclamation surety are not on file for the North Beck Street Operation.

Therefore, the following directive has been prepared:

## **DIVISION DIRECTIVE:**

It is hereby directed that:

- 1. Within 15 days from receipt of this Directive, Staker & Parsons Companies will submit a revised and complete mining and reclamation plan to the Division.
- 2. Within 30 days from the Division's receipt of the revised plan to the Division, Staker & Parsons Companies will arrange a meeting between Staker, SLC Corporation, and Division staff to resolve any outstanding permitting concerns centered upon the revised mining and reclamation plan.
- 3. Within 30 days from your receipt of this Directive, Staker & Parsons Companies will submit a \$300,000 transitional reclamation surety (357 acres) and a Transitional Reclamation Contract to the Division (contact Division for forms).
- 4. Within 30 days of our receipt of a *complete* permit application from Staker & Parsons Companies, the Division will publish notice of the application as required by rule R647-4-116 Public Notice and Appeals.
- 5. If timeframes are not met in this Directive, a cease mining order may be issued by this Division to Staker & Parsons Companies and all mining activities will stop at the mine site as provided at Utah Code 40-8-9(3).

## APPEAL PROVISIONS

As anticipated at R647-5-106.17, within 10 days of your receipt of this letter, you or your agent may make a written appeal of this directive to the Director for an Informal

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Hearing, or the Board of Oil, Gas and Mining for a formal adjudicative proceeding. Failure to comply with the 10-day requirement may result in a waiver of your right of further recourse.

If you have questions regarding this directive, please contact me at (801) 538-5286.

Sincerely,

D. Wayne Hedberg. Permit Supervisor

Minerals Regulatory Program

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Mike Dalley, Staker & Parsons I owell Braxton, OGM Mary Ann Wright, OGM Steve Alder, AAG Doug Jensen, OGM

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